

# Exhibit C

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
ALEXANDRIA DIVISION

RUTH SMITH, individually and on  
behalf of all others similarly  
situated,

Plaintiff,

vs.

Case No.  
1:22-cv-00081-LMB-  
WEF

SUNPATH, LTD., a Massachusetts  
corporation,

Defendant.

DEPOSITION OF  
RULE 30(b)(6) DEPOSITION OF CHUKRAN MANAGEMENT GROUP  
d/b/a AMERICAN PROTECTION CORP. ("AMERICAN PROTECTION")  
KOBI CHUKRAN

(Conducted Via Videoconference)

DATE: November 1, 2022

TIME: 11:03 a.m. to 2:06 p.m.

PURSUANT TO: Notice by counsel for Plaintiff  
for purposes of discovery, use at  
trial or such other purposes as  
are permitted under the Federal  
Rules of Civil Procedure

REPORTED BY: Aaron T. Perkins, RMR, CRR, CRC  
Notary Public, State of  
Florida at Large

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1 MR. CAFFAS: Object to form as well.

2 BY MR. SMITH:

3 Q. You can answer.

4 A. Can you repeat the question please?

5 Q. Yeah. So you said you received leads  
6 from various websites, from the BBB, from your  
7 website.

8 How do you utilize the leads? Do you  
9 use them for telemarketing? Do you -- I'm trying  
10 to understand how you reach out to these people.

11 MR. TANDY: I'm going to object.

12 MR. CAFFAS: Yeah. Object to form.

13 It's become a compound question.

14 BY MR. SMITH:

15 Q. You can answer.

16 A. Yes. The leads -- yes, we call them.

17 Q. Call them?

18 A. Yes.

19 Q. All right. I want to talk about your  
20 relationship with SunPath.

21 Can you tell me when you started working  
22 with SunPath?

23 A. I don't remember the exact date.

24 Q. Can you give me an approximate date?

25 A. No.

1 Q. Okay. You can't guesstimate? Has it  
2 been five years, ten years?

3 A. Again, I want to make sure that I'm as  
4 accurate as possible. I don't remember exactly.

5 Q. So you can't tell me at all.

6 Okay. Have you worked with them within  
7 the relevant time period, which, again, is January  
8 26th, 2018, to the present?

9 A. Yes.

10 Q. How did you hear about them?

11 A. I don't recall.

12 Q. When did your relationship with SunPath  
13 end?

14 A. I want to say approximately six months  
15 ago.

16 Q. Why did it end?

17 A. Moneys owed.

18 Q. Moneys owed from American Protection to  
19 SunPath or the other way around?

20 A. Yes.

21 Q. Okay. How would you describe your  
22 relationship with SunPath?

23 MR. TANDY: Objection.

24 THE WITNESS: Good.

25 BY MR. SMITH:



1           like an appropriate time. My apologies.

2           MR. SPORN: And my apologies for not  
3           introducing myself properly, but Greg is  
4           handling the deposition for us. I'm merely  
5           observing.

6           MR. TANDY: All good. Not a problem.  
7           Thank you.

8           BY MR. SMITH:

9           Q. So I will go back to my question and  
10          repeat it.

11          Is SunPath involved in  
12          American Protection's sales process?

13          MR. TANDY: Again, note the objection.

14          MR. CAFFAS: Object to the form.

15          BY MR. SMITH:

16          Q. You can still answer the question.

17          A. I'm not sure I understand the question.  
18          It's a very general question.

19          Q. Okay. Why don't you tell me how  
20          American Protection goes about selling vehicle  
21          service contracts.

22          A. Sure. We receive a lead of an  
23          interested prospect. We contact that client, and  
24          we make sure that they are qualified to receive  
25          coverage based on the year, make, and model of the

1 vehicle, as well as the mileage. Based on this  
2 information, we can determine what is the best  
3 coverage we can offer.

4 Q. And then once you make that  
5 determination, what happens next?

6 A. Then we submit the sale to the -- to be  
7 underwritten by SunPath.

8 Q. And throughout that sales process, you  
9 know, you get the lead, you contact the client,  
10 you see what they're qualified for, you determine  
11 what's best for them, and then you reach out to  
12 SunPath.

13 Is that final step, reaching out to  
14 SunPath, is that where contacting SunPath would  
15 come in to play or would you have contacted them  
16 at some point prior?

17 MR. TANDY: Objection.

18 MR. CAFFAS: Yeah. Objection to form as  
19 well. It's a compound question.

20 MR. TANDY: And I must object. To the  
21 extent that you're attempting to define the  
22 term sales pathway, I object to that, or  
23 process. I'm sorry, Mr. Smith, but I do  
24 think that's really compound.

25 MR. SMITH: That's fine.

1 Q. Okay. So let's walk through this.

2 You obtain leads from various sources;  
3 is that correct?

4 A. Yes.

5 Q. Okay. And then you're going to reach  
6 out to those leads to potentially sell a vehicle  
7 service contract, right?

8 A. Yes.

9 Q. Okay. After you contact the potential  
10 client, you're going to find out what they're  
11 qualified for; is that fair to say?

12 A. Well, in some cases, the customer  
13 contacts us.

14 Q. Okay. Maybe they contact you; you  
15 contact them. Once you're in touch with the  
16 potential customer, you determine what they're  
17 qualified for?

18 A. Yes.

19 Q. Okay. How do you go about doing that?

20 A. Based on the customer's vehicle  
21 characteristics, the year, make, model, and  
22 mileage.

23 Q. And then what do you do with that  
24 information?

25 A. We enter it into our CRM that allows us

1 June 29th, 2017; is that correct?

2 A. Yes.

3 May I ask for a quick five-minute break?

4 MR. SMITH: Of course. Yeah, let's take  
5 a break.

6 (A recess was taken.)

7 MR. SMITH: Back on the record.

8 BY MR. SMITH:

9 Q. And let me share my screen again. All  
10 right. Kobi, again, I'm showing you what's been  
11 marked as Exhibit 2.

12 You previously testified that this is an  
13 agreement between SunPath and American Protection,  
14 right?

15 A. That seems to be.

16 Q. It looks like it's dated June 29th,  
17 2017, right?

18 A. Yes.

19 Q. Would that have been the date that your  
20 relationship with SunPath began?

21 A. Yes.

22 Q. All right. I will draw your attention  
23 to the third "whereas" paragraph, where it says,  
24 "Company desires to have CCM market the products  
25 to customers for which CCM will be compensated as

1 set forth below."

2 Do you see that?

3 A. Yes.

4 Q. Is it fair to say that SunPath entered  
5 this agreement to have American Protection sell  
6 its vehicle service plans?

7 A. Yes.

8 Q. All right. And then underneath the  
9 "general provisions," paragraph 1, it says, "The  
10 company grants CCM authority to solicit customers  
11 on a nonexclusive basis only in the territory  
12 defined in Addendum B hereto."

13 Do you see that?

14 A. Yes.

15 Q. And if we scroll down to Addendum B,  
16 which is on page 7 of this exhibit, it states,  
17 "The geographic territory in which CCM may solicit  
18 sales of products offered by the company shall be  
19 exclusive and limited to all states in the  
20 continental U.S. except TBD."

21 Do you see that?

22 A. Yes.

23 Q. So is this provisions just letting  
24 American Protection market its products throughout  
25 the U.S.?



1 "maintenance" refers to. He's not clear what  
2 "maintenance" refers to in this context.

3 THE WITNESS: I'm not clear as to what  
4 "maintenance" refers to.

5 BY MR. SMITH:

6 Q. Okay. Once American Protection sells  
7 one of SunPath's vehicle protection plans, is  
8 there a continued relationship with that client  
9 that American Protection has?

10 A. Yes.

11 Q. How long would that relationship be?

12 A. For the lifetime of the agreement.

13 Q. Okay. And what would  
14 American Protection's responsibilities be through  
15 the lifetime of that agreement?

16 A. The customer might ask us for the  
17 numbers to the claims department or might call us  
18 to find out if something in particular is covered  
19 within the plan.

20 Q. Okay. And we previously discussed, when  
21 a contract was sold, the division of moneys from  
22 American Protection to SunPath, right?

23 A. Yes.

24 Q. Now, these contracts, they're on a  
25 monthly basis, right? These customers pay a

1 certain amount each month?

2 A. Yes.

3 Q. Okay. Who do they pay that amount to?

4 A. To us.

5 Q. And then does a share of that each month  
6 go to SunPath or does -- or how does that work?

7 A. No.

8 MR. CAFFAS: Objection. Asked and  
9 answered.

10 BY MR. SMITH:

11 Q. Go ahead.

12 A. No. SunPath bills us for a policy.

13 Q. Okay. So after a policy is sold,  
14 American Protection has to pay the cost of the  
15 policy to SunPath; is that fair to say?

16 A. Yes.

17 Q. How soon do they have to pay that cost?

18 A. We've at various times have had to pay  
19 for the cost.

20 Q. Can you give me an estimate on the  
21 amount of time that you have?

22 A. Somewhere between some months and --  
23 between 30 days and more.

24 Q. Okay. And then is it fair to say that  
25 it's American Protection's responsibility to



1 collect each monthly payment from those clients?

2 A. Yes.

3 Q. Okay. What happens if they cancel their  
4 contract or stop paying?

5 A. Then the plan --

6 MR. CAFFAS: Object to the form.

7 THE WITNESS: Then the contract is  
8 cancelled.

9 BY MR. SMITH:

10 Q. Does SunPath provide a refund of the  
11 cost to American Protection then?

12 A. Yes.

13 Q. Okay. I will scroll to page 2,  
14 paragraph 10. Give me one second. All right. So  
15 it says, "All amounts constituting product seller  
16 cost and/or net price which are received by CCM  
17 shall be held in trust by CCM for the company's  
18 sole benefit."

19 Do you see that?

20 A. Yes.

21 Q. Is product seller costs in this context,  
22 is that the cost that you were referring to that  
23 gets paid to SunPath?

24 A. Yes.

25 Q. And is net price in this context, is

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1 really sure, Taylor, there was a question.  
2 The last question I heard was, Do you know  
3 the difference between the two entities?  
4 Which I know the answer was no.

5 MR. SMITH: Right. That --

6 MR. TANDY: Please, ask the question.

7 BY MR. SMITH:

8 Q. Do you know why there's two separate  
9 agreements governing the relationship -- --

10 MR. CAFFAS: Objection to --

11 BY MR. SMITH:

12 Q. -- with SunPath?

13 A. No, I don't.

14 Q. Okay.

15 MR. CAFFAS: Also, note my objection to  
16 speculation to that question as well.

17 MR. SMITH: That's all I wanted to ask  
18 with this one.

19 Let's take five-minute break.

20 (A recess was taken.)

21 BY MR. SMITH:

22 Q. Kobi, I will jump back to your  
23 telemarketing.

24 So you previously explained your  
25 telemarketing process. My question relates to at

1 the time you're placing calls. So at the time  
2 American Protection places a call, does it know  
3 which company's vehicle service plans it will be  
4 pitching on the call?

5 A. No.

6 Q. Okay. Is that information determined  
7 later based upon the potential client's vehicle's  
8 make, model, and year?

9 A. Yes.

10 Q. Okay. And can you tell me what portion  
11 of your business is generated through  
12 telemarketing?

13 MR. CAFFAS: I will object as to vague.  
14 I don't believe telemarketing has been  
15 established definition-wise.

16 THE WITNESS: I'm not sure what you mean  
17 by "telemarketing," as well.

18 BY MR. SMITH:

19 Q. When you place calls to potential  
20 clients to sell products, that would be  
21 telemarketing. So I need to understand how much  
22 of your business comes from telemarketing  
23 activities.

24 A. So if I send out the postcard to a  
25 customer and they call us to request information,

1 other than what was previously produced?

2 A. No.

3 Q. Okay. Does American Protection ever  
4 obtain a listing of numbers registered on the DNC  
5 Registry?

6 A. Yes.

7 Q. How often does it obtain that list?

8 A. That is provided to us by any lead  
9 providers in this case. So, in other words, if  
10 we -- any kind of leads that we acquire are  
11 cleansed and cleaned and suppressed against the  
12 National Do Not Call List.

13 Q. Okay. After American Protection  
14 receives those leads, does it take any steps to  
15 ensure that it's not calling numbers that are in  
16 those leads that are registered on the National Do  
17 Not Call Registry?

18 A. We run those against our internal DNC  
19 lists.

20 Q. Just your internal DNC list?

21 A. Yes.

22 Q. Not the National DNC List?

23 A. Not -- no. It's already done by the  
24 lead providers.

25 Q. Okay. Does American Protection maintain

1 records of prior express consent from the  
2 individuals that it places calls to?

3 A. No.

4 Q. How does American Express [sic] ensure  
5 that the individuals that it's placing calls to  
6 provided prior express consent?

7 MR. CAFFAS: I will object to this as  
8 vague. I believe you just asked about  
9 American Express. I assume you're not  
10 talking about the credit card company.

11 MR. SMITH: Did I say American Express?

12 MR. CAFFAS: Yes.

13 MR. SMITH: Strike that.

14 BY MR. SMITH:

15 Q. How does American Protection ensure that  
16 individuals that it's placing calls to have  
17 provided prior express consent?

18 A. We review the method of which they  
19 request information.

20 Q. So can you say that again?

21 A. We review the method of which they have  
22 requested information.

23 Q. What do you mean by that?

24 A. I mean I review to make sure that the  
25 proper opting language is present, that our name



1 are you able to figure out the source of that  
2 contact information, where it came from?

3 A. In some cases I could, and in some cases  
4 I can't.

5 Q. Okay. What about in the plaintiff's  
6 situation?

7 A. What about it?

8 Q. You previously said that  
9 American Protection sent a mailing to her; is that  
10 correct?

11 A. Yes.

12 Q. Do you know where it got her contact  
13 information prior to sending that mailing?

14 A. I do not, no.

15 Q. Did you search for that information?

16 A. Yes.

17 Q. What repositories were searched?

18 A. Our CRM.

19 Q. CRM.

20 Does SunPath ever provide leads to  
21 American Protection?

22 A. No.

23 Q. All right. I will pull up my next  
24 exhibit.

25 (Exhibit No. 7 was marked for

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1 record?

2 THE COURT REPORTER: Back on the record, sir.

3 Thank you.

4 MR. SMITH: All right.

5 BY MR. SMITH:

6 Q. I'm going to re-ask that question, Kobi.

7 Does American Protection have any records of  
8 the actual inbound or outbound calls to Plaintiff?

9 A. No.

10 Q. Okay. Does American Protection have any other  
11 documents in its possession related to Plaintiff that  
12 have not been produced?

13 A. No.

14 Q. Does American Protection have any record of  
15 Plaintiff providing any prior express written consent?

16 A. I'm sorry. What -- what was the question  
17 again?

18 Q. Yeah. Does American Protection have any record  
19 of Plaintiff providing any prior express written  
20 consent?

21 MR. CAFFAS: I'm going to object to the  
22 vagueness of that question. Prior express written  
23 consent, to what?

24 MR. TANDY: I will join.

25 BY MR. SMITH:



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1 Q. You can answer.

2 A. No.

3 Q. Does American Protection have any policies or  
4 procedures to ensure compliance with the Virginia  
5 Telephone Privacy (sic) Act?

6 A. Everything has been provided to you.

7 Q. Okay. Other than the documents that have been  
8 provided, does American Protection have any policies or  
9 procedures to ensure compliance with the Virginia  
10 Telephone Privacy Act?

11 A. No.

12 Q. Okay. And does American Protection have any  
13 specific policies or procedures that relate to  
14 compliance with the Virginia Telephone Privacy Act?

15 A. No.

16 Q. Prior to this lawsuit, did you have -- were you  
17 aware of the Virginia Telephone Privacy Act?

18 A. No.

19 Q. Okay. I want to go through calls to Plaintiff  
20 briefly and ask you questions about them.

21 So Plaintiff alleges, on May 26th, 2020, that  
22 she received two calls, and the caller ID was a  
23 410-844-6327.

24 Do you know if American Protection has ever  
25 utilized that number to place calls?

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1 MR. SMITH: Objection. Asked and answered.

2 THE WITNESS: No.

3 BY MR. CAFFAS:

4 Q. Have you ever inquired about those types of  
5 sales and -- to SunPath and been told you weren't  
6 permitted to sell those types of products?

7 A. I don't recall.

8 Q. I am now clicking over to the "Services" tab of  
9 American Protection Corp's website.

10 Do you see where it says "Our Partners" on the  
11 left side of the screen?

12 A. Yes.

13 Q. Okay. And can you describe the -- the names of  
14 the partners that are listed?

15 A. Yes.

16 Q. Can you read them off for me?

17 A. Royal, Marathon, SunPath, Interstate.

18 Q. Okay. And are all those --

19 Are those all separate companies?

20 A. Yes.

21 Q. Do you know what kind of products or services  
22 those companies are -- or provide?

23 A. Vehicle service contracts and home service  
24 contracts.

25 Q. Okay. And have you sold those companies'

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1 based on what the consumer's needs would be, correct?

2 A. Correct.

3 Q. Okay. So, for example, there would have been a  
4 time when you were able to offer a con -- a consumer a  
5 SunPath product or a Marathon product, for example,  
6 based on whatever that consumer's vehicle was?

7 MR. SMITH: Objection. Asked and answered.

8 THE WITNESS: Since we haven't talked with  
9 Marathon or Interstate in many years, the answer is  
10 no. Because when we worked with SunPath, we mostly  
11 sold SunPath products. Royal is just a recent  
12 addition to our -- to our products.

13 So the -- that's why I'm saying -- that's why  
14 I'm saying no.

15 (Pause in the proceedings.)

16 BY MR. CAFFAS:

17 Q. Okay. I am going to go back to something you  
18 had discussed on the first day of your deposition  
19 testimony. You were describing the process of how  
20 American Protection subcontractors would be connected to  
21 potential customers.

22 And I believe you said they would be connected  
23 to the customer, and then the first step is that the  
24 American Protection subcontractor would introduce  
25 themselves to the potential customer, correct?

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1 MR. SMITH: Objection.

2 THE WITNESS: Yes.

3 MR. SMITH: Misstates the witness's testimony.  
4 Calls for speculation.

5 BY MR. CAFFAS:

6 Q. You can answer, Mr. Chukran.

7 A. Yes.

8 Q. And then under the next steps, in Discovery, is  
9 it correct that American Protection then asks for the  
10 year, make, and model of the potential customer's  
11 vehicle?

12 A. Yes.

13 Q. And then asks for how many miles, if they're  
14 the original owner, and the year -- excuse me -- how  
15 many miles they drive in a year, correct?

16 A. Yes.

17 Q. And what is the purpose for them asking that  
18 information?

19 A. To determine what's the best type of coverage  
20 that's available based on the mileage and to make sure  
21 the car actually -- the vehicle actually qualifies for  
22 coverage.

23 Q. So is it accurate then that, when an  
24 American Protection subcontractor begins the call, and  
25 before he or she learns that information from the

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1 customer, that they aren't aware what product they're  
2 going to be offering to the customer?

3 A. Yes.

4 Q. And that -- the product that they're going to  
5 be offering the customer, that is determined by entering  
6 that information in to the Inline Customer Relation  
7 Management System, correct?

8 A. Yes.

9 Q. So it's determined automatically, without any  
10 input from the subcontractor?

11 A. I'm sorry. What is your question?

12 Q. So the subcontractor doesn't pick and choose;  
13 the system might spit out whatever company's products  
14 just works best with the customer's vehicle, right?

15 A. The subcontractor has access to a number of  
16 different plans. So, for example, SunPath might offer a  
17 higher level of coverage versus a lower level of  
18 coverage.

19 Q. Okay. So it could be a SunPath plan versus  
20 another company's plan, if another company's plan  
21 offered better coverage?

22 A. Potentially.

23 Q. And, again, the subcontractor on the call  
24 wouldn't know that prior to the customer providing their  
25 information for their vehicle on the call, right?

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1 American Protection has never spoofed any telephone  
2 number associated with First Citizens Bank, to your  
3 knowledge?

4 A. Yes.

5 Q. Does -- strike that.

6 Does American Protection subscribe to the  
7 reg- -- the Federal Do Not Call Registry?

8 A. Not at this time, no.

9 Q. Why? Why not?

10 A. Our subscription expired.

11 Q. And does AP --

12 Or at what time did it subscribe to the Do Not  
13 Call Registry?

14 A. I don't have the exact dates.

15 Q. Would it be --

16 Would it have been within the past year that  
17 your subscription expired?

18 A. No.

19 Q. Can you give me a ballpark of when the  
20 subscription would have expired?

21 A. I believe a couple of years.

22 Q. Okay. And in that time, did AP intentionally  
23 make calls to consumers --

24 A. No.

25 Q. -- on the Do Not Call Registry?

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